



Department
for Transport

UNECE – UK International Rail Benn Hall – Department for Transport

Workshop: “The development of international passenger rail transport in the context of ITC Resolution No.264”





The rail network serves a diverse population, connecting communities and transporting passengers and freight.

Who uses rail?

In 2019-20 in Great Britain:

1.7 billion rail journeys

66.7 billion passenger kms

£11.4 billion of passenger revenue

In 2018-19:

2,566 stations

15,847 km of route

38% of electrified route

The average age of rolling stock was 19 years

10% less carbon emissions per passenger km than a year ago

- ▶ **Pre COVID-19**, 57% of rail journeys are undertaken for commuting to work and education, whilst **26% are leisure trips**. Over 1 million **daily** passengers used rail to travel into central London.
- ▶ COVID-19 heavily impacted the number of passenger journeys and rail revenues. In late March passenger journeys were **down 95%** on the previous year. By early August 2020, passenger journeys were **77% below** the same period last year.
- ▶ In response to financial challenges presented by Covid-19, international operators have had to **substantially reduce services** and, in some cases, cut back their network, due to continued very limited demand for international travel.



Channel Tunnel Fixed Link:

- ▶ Established under Treaty of Canterbury in 1986.
- ▶ Concession agreement with Eurotunnel until 2086, as private Concessionaire (and also operator of Shuttle services).
- ▶ There are three types of traffic through the Tunnel:
 - ▶ **Eurostar** high-speed passenger services;
 - ▶ **Le Shuttle** services carrying HGV lorries, passenger vehicles, coaches;
 - ▶ **Rail Freight trains**, carrying intermodal traffic.



Over **25% of trade in goods** between UK and continental Europe by value passes through the Channel Tunnel (**worth €138bn a year**).



1.7m trucks, 2.7m car and coach passengers, 11m Eurostar passengers, 2000 freight trains in 2018.



Channel Tunnel services accounted for an estimated **£1.7bn of direct spending in the UK** in 2018, across all types of travel (Office for National Statistics).

International passenger services **generate direct socio-economic benefits of an estimated £281 million per year**, largely due to journey time improvements and associated productivity gains for business travellers (research commissioned by HS1 Ltd).



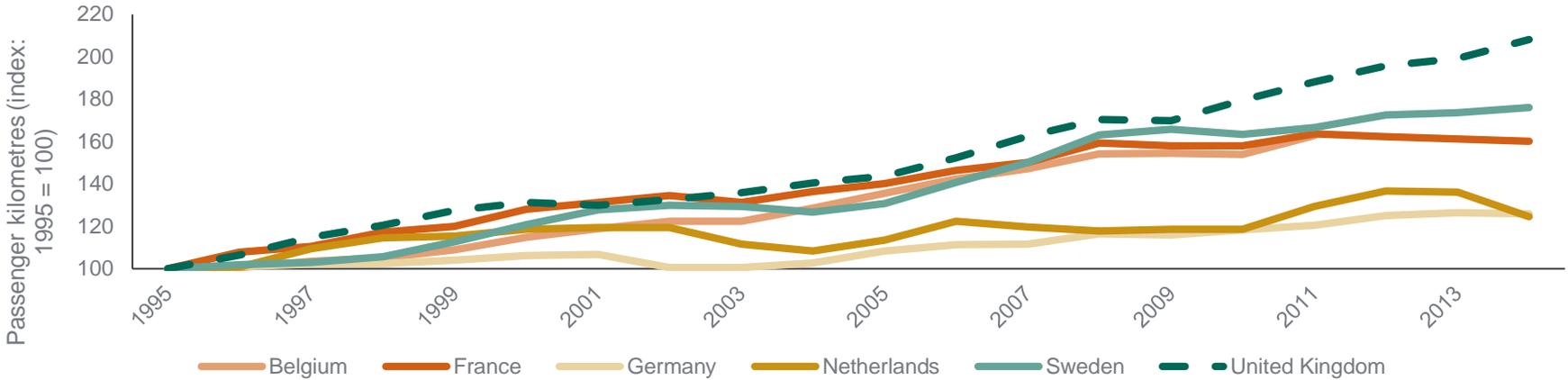


Safety and improving train performance are key drivers of passenger satisfaction and increasing passenger numbers.

Key Passenger Priorities



► Pre-COVID-19, rail passenger demand in the UK had far outstripped other nations:



Since the emergence of COVID-19, **passenger numbers have declined by 99%** as passenger journeys remain suppressed. Surveys have found many passengers are hesitant to resume using public transport. A study found that passengers who had resumed travelling were likely to do so again. **There has also been a shift in passenger priorities to include cleanliness and the behaviour of other travelers such as using face coverings and observing social distancing.**

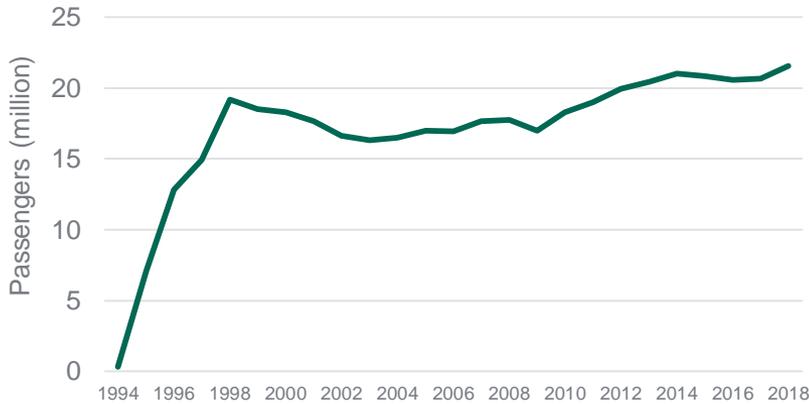
In 2018, UK rail was rated **6th out of 26** European countries for satisfaction, based on the views of the general population.





Prior to Covid-19, international passenger services carried record numbers of passengers in recent years, despite major shocks.

Channel Tunnel: Annual passengers to and from Europe



A record 21m passengers travelled via the Channel Tunnel in 2019:

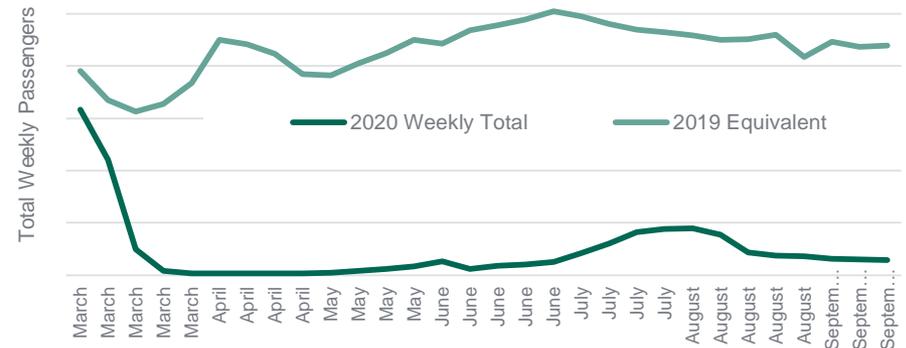
- 11m passengers carried by Eurostar
- 10.3 million passengers carried via Eurotunnel passenger shuttles (i.e. travelled in a passenger vehicle).
- This followed a challenging period in the mid-2010s that saw external shocks to international travel (e.g. terrorist attacks, migrant crisis etc).

However, the impact of Covid-19 has been of a very different magnitude...

For most of 2020, passenger numbers have been significantly lower than 2019 levels due to Covid-19:

- Passenger numbers fell to nearly zero in the earlier part of the year when countries across Europe introduced restrictions
- Passenger numbers began to recover in May/June/July as restrictions started to ease. The UK Government introduced travel corridors in July which supported the opening up of travel.
- However, as transmission rates have increased across Europe, restrictions have once again been introduced, again reducing demand for travel.

International High-Speed Rail Weekly Passenger Numbers (2019 vs 2020)





Lower carbon emissions, competitive prices and new routes have seen international passenger numbers grow.



- ▶ Since the introduction of rail services, it has become an increasingly popular passenger route with the network of direct connections having expanded in the last 25 years.
- ▶ On its busiest days, prior to Covid-19, Eurostar would see around **20,000-30,000 passengers** per day pass through St Pancras on services to France, Belgium and the Netherlands.
- ▶ International rail is by far the preferred mode of transport on major city-city markets, including London-Paris and London-Brussels, completely reversing the dominance of the aviation market 20 years ago.

- ▶ Industry analysis suggests that **emissions from international rail connections could be up to 90% lower** than equivalent air routes (please note these are not UK Government estimates, we are currently undertaking analysis of the environmental benefits of international rail compared with alternative modes.
- ▶ On this basis, industry figures suggest the UK's **international rail services could have reduced annual emissions** by the equivalent of 750,000 tonnes of CO2 equivalents, or 60,000 short haul flights every year, delivering an estimated £66 million of environmental benefits.



- ▶ Unregulated passenger fares are also a key driver of increased demand for international rail services in the UK, where there is wide availability of low costs fares due to competition with airlines.
- ▶ A key issue for passengers remains the ability to purchase through-tickets or other integrated ticketing schemes to enable travel by rail across several networks, which could unlock further demand.

- ▶ The launch of the **direct return service from Amsterdam** this autumn adds a further major city destination accessible by direct rail connection.
- ▶ The London-Amsterdam is the largest air market in Europe – carrying around 4 millions passengers each year between the two cities.





Plans to merge Eurostar and Thalys could open up wider international links for passengers through the Channel Tunnel.

- ▶ Thalys is a European high-speed rail operator, operating services between France, Belgium, the Netherlands and Germany.
- ▶ In 2019, it was announced that **Eurostar and Thalys** would merge ('Project Greenspeed'), with the process expected to complete in 2021.
- ▶ This has the potential to open up new international links for UK rail passengers through either new direct or well-integrated interchanges – for example, **Ile de France, Hauts de France, Belgium, the Dutch Randstad and Germany's Ruhr.**



'Project Greenspeed' – potential network



Launch of direct return London-Amsterdam service

- ▶ In 2017, Eurostar launched the first direct London-Amsterdam service. This service was outbound only to begin with due to the need for existing agreements between the UK, France and Belgium signed in 1993, to be modified to include the Netherlands, to facilitate return services.
- ▶ A new treaty concerning Frontier Control arrangements extends the existing model of “juxtaposed border checks” to the Netherlands; whereby passengers are checked, prior to departure, successively by border officials from the departure and arrival countries. Another treaty provides for the Netherlands government to oversee train security and station security for services operating from the Netherlands to the UK.
- ▶ These new arrangements will enable direct services between the Netherlands and the UK to start operating later this year, without the need to change trains at Brussels for immigration and security checks – making it easier for passengers to carry on their journey.





There are opportunities to further expand and grow international rail links between the UK and Europe.

- ▶ As the public seeks lower carbon journeys, rail travel has become a popular alternative to short-haul flights for many.
- ▶ The recent launch of the direct return London-Amsterdam services marks the expansion of major European cities directly serviced by rail from London.

- ▶ Research indicates **that high-speed rail can be competitive with equivalent air travel for journeys of less than or around 4 hours**, which presents a number of potential opportunities in terms of new city destinations.
- ▶ Industry is exploring a number of a potential new routes from the UK and has conducted **feasibility studies of certain city pairs** to identify the demand and a commercial proposition.
- ▶ We have also seen **night train and sleeper services** regaining popularity in recent years, with a number of new services having launched or due to launch in the coming years across Europe. Domestically, the UK has two long-standing, successful sleeper services but none internationally.
- ▶ **The UK Government is happy to engage with prospective operators** of new such services from the UK where there is a commercial proposition and where Government can assist to address the unique challenges presented by operating through the Channel Tunnel, including security and frontier control arrangements.

New destinations for UK international rail services





The UK Government is committed to supporting the future growth of international rail passenger services.

The growth of international rail services from the UK over the last 30 years has demonstrated a clear demand for a more sustainable, convenient and efficient form of international travel between the UK and major European destinations.

There are however, a number of key challenges that need to be addressed in supporting the restart and recovery of international rail travel. Some are unique to international rail, whilst others apply across all modes of transport. The below is not an exhaustive list:

Support the restart and recovery of international travel post-Covid: UK Ministers established a Global Travel Taskforce to consider what steps the Government can take, both domestically and on the international stage, to enable the safe and sustainable recovery of international travel. The Taskforce has been tasked with developing a series of recommendations aimed at ensuring there are clear public health measures, increasing demand safely and that the UK is at the forefront in leading global standards.



Border and security controls: juxtaposed border controls enable border checks to be carried out before departure, negating the need for checks on arrivals. This is a highly successful, tried and tested model, enabling a quicker, more convenient services for passengers, whilst ensuring the security of passengers, trains and the Channel Tunnel Fixed Link

Common standards: the UK's international rail infrastructure has been designed and built to meet common technical and safety standards (e.g. signalling, gauge etc), reducing barriers for operators and ensuring the highest levels of safety. This will continue to be important to facilitate international services.



Passenger rights: Providing a robust framework for passenger rights to be able to access modern, integrated ticketing solutions, as well as the right to refund and compensation when things go wrong. The UK has been a champion for rail passenger rights and this will be an increasingly important factor in passengers' travel preferences and requirements.

Cost competitiveness: There are high costs to operating and maintaining high-speed rail infrastructure and major infrastructure such as the Channel Tunnel. A robust regulatory framework to drive efficiencies, and therefore reduce costs ultimately for passengers, is critical to ensure that rail remains competitive. This will be increasingly important in a post-Covid environment of lower load factors, and therefore margins, for operators.

